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**Montana  
Department of Transportation**

**Impact of Canadian Economic  
Development on Northern Montana  
Highways**

**February 25, 2009  
Monthly Progress Report # 2  
For Period  
December 29, 2008 – January 31, 2009**

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## INTRODUCTION

This document is the second monthly progress report for Montana Department of Transportation (MDT) study titled “Impact of Canadian Economic Development on Northern Montana Highways” led by HDR | Decision Economics consultant research team. This progress report covers the period January 1, 2009 to January 31, 2009.

The objective of this project is to evaluate current and projected Canadian economic activity and the associated commercial traffic on northern Montana highways and US-Canada border crossings (ports).

The Specific tasks identified in the project work plane are:

Task 0 – Administration

Task 1 – Literature Review

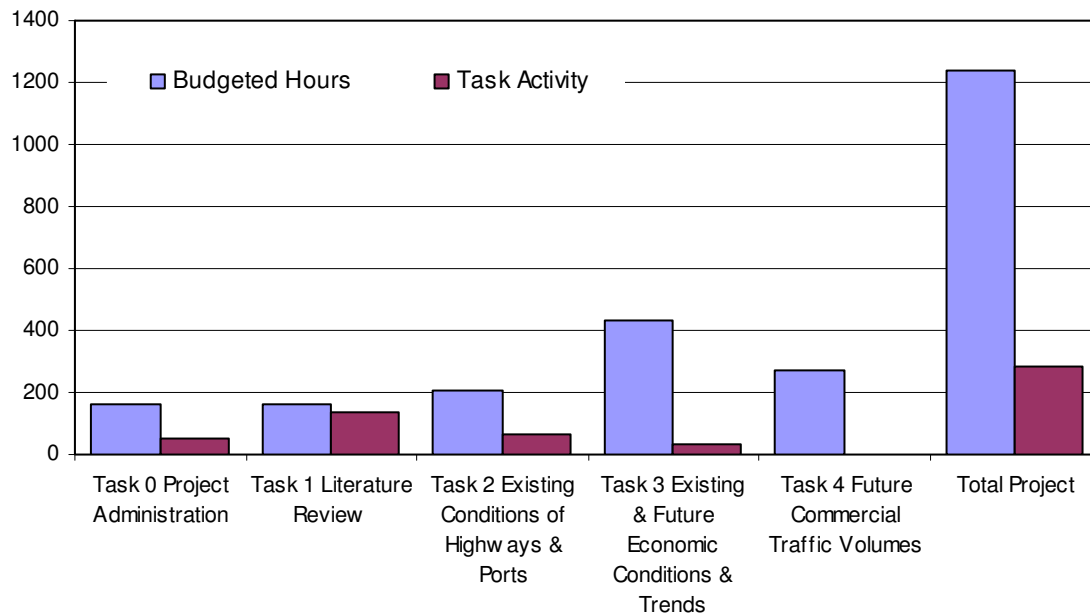
Task 2 – Existing Conditions of Highways and Ports

Task 3 – Existing and Future Economic Conditions and Trends

Task 4 – Future Commercial Traffic Volumes

The following sections describe: a) the work accomplished during this reporting period under each task; b) the percent complete for each task; and c) the work planned for the next month. In addition, we are attaching an invoice with the hours and expenses incurred during this period. Figure 1 presents an overview of percent complete by task and for the project overall.

**Figure 1 – Budgeted Level of Effort and Research Activity by Task**



## **TASK 0 – ADMINISTRATION**

The first monthly team meeting was held on January 20, 2008 to discuss assignments and provide status reports. Additionally, HDR continued to prepare for the Kickoff meeting with MDT scheduled for February 11 by gathering data and information to incorporate into presentation material. HDR also worked with MDT to designate Dan Hodge as the single point of contact for HDR, and added Economist Johnny Abedrabbo to our staff working on the project. Finally, HDR sent MDT a revised project schedule based on our development of a detailed work plan.

*Percent Complete* – We estimate 32% complete for this task

### ***Work planned for next month***

HDR will prepare for, attend and conduct the Kickoff meeting with MDT in Helena, MT on February 11, 2008. The team members will also conduct their second monthly team meeting to discuss progress and provide direction on upcoming work.

## **TASK 1 – LITERATURE REVIEW**

During the reporting period, HDR continued working on developing the Literature Review section of the study. A list of relevant resources was prepared by HDR and was communicated electronically to MDT and the technical panel for review and update. Subsequently, additional data sources and references were identified by MDT and were reviewed by HDR.

An initial Draft Literature Review was completed and reviewed internally. Based on the initial review, HDR made revisions to the content and organization and generated a second internal draft for final review by Hodge and Bekka for quality control. The Literature Review focused on three main areas, namely: Economic growth and transportation studies, economics of border regions, and transportation planning studies in Montana related to economic development.

*Percent Complete* – We estimate 83% complete for this task

### ***Work planned for next month***

HDR will finalize the internal review of the initial Draft Literature Review and submit the draft to MDT for review and comment. HDR will incorporate MDT's comments into the chapter and present MDT with a Final Working Paper (Technical Memo No.1) by the end of February.

## **TASK 2 – EXISTING CONDITIONS OF HIGHWAYS AND PORTS**

During this reporting period, HDR initiated data collection for exiting conditions of highways and ports. The task leader Geoff Parkins, based in Billings, continued to gather relevant data on highways and ports in Montana. The data includes, but not limited to, highway capacity measures, traffic flow data, as well as port conditions, wait times, and

planned improvements on relevant highway segments. The initial set of data was provided by MDT to HDR. HDR compiled tables and initial maps of key data elements for the nine (9) Montana ports.

***Percent Complete*** – We estimate 30% complete for this task

***Work planned for next month***

HDR will present the initial Task 2 analysis at the kick-off meeting and request feedback from MDT and the technical panel. Based on this initial assessment, HDR will request additional data and information from MDT as needed (see kick-off meeting minutes). HDR will develop an initial set of maps, graphs and tables to assess and communicate the infrastructure, traffic and security operations at each Montana port.

### **TASK 3 – EXISTING AND FUTURE ECONOMIC CONDITIONS AND TRENDS**

During this reporting period, HDR initiated data collection for the regional economic overview and industry sector analysis, focused on trends in Alberta and Saskatchewan, Canada. HDR generated a list of data resources, economic outlooks, and other references to use in support of this task.

***Percent Complete*** – We estimate 8% complete for this task

***Work planned for next month***

HDR will finalize a list of data and information resources for existing and future economic trends. The list will be submitted electronically to MDT for review and comments. HDR will begin collecting this data, partly in preparation for the kick-off meeting, and create a detailed outline of economic and industry data sources for the: a) regional economic overview; and b) the industry-specific profiles of key industries in Canada and northern Montana. Finally, HDR will initiate work on the primary research sub-task by developing an interview guide and initial set of stakeholder organizations to contact (to be submitted to MDT and the technical panel).

### **TASK 4 – FUTURE COMMERCIAL TRAFFIC VOLUMES**

No work was scheduled nor conducted for this task during this period.

***Percent Complete*** – We estimate 0% complete for this task

***Work planned for next month***

As part of preparations for the kick-off meeting, HDR will begin developing the forecast modeling framework required for Task 4. This will result in an initial set of structure and logic models to estimate Canadian economic and industry growth and how that translates into commercial growth across Montana border crossings.



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